

2004 Domestic Consumer Analysis – Utah Tourism

Overview

Utah's most common visitor is a baby boomer family in the middle to upper class from the Western United States. The parents are generally well educated and employed. The purpose of their trip is leisure based, with the largest group visiting friends and family or enjoying a general vacation. Most visitors drive to Utah and stay in a hotel or motel. The summer is the most common time to travel to the state. Visitors typically include a variety of activities during their stay including:

- Visiting the national and state parks
- Touring Utah's vast open spaces
- Participating in outdoor recreation activities
- Visiting historic and culture sites

As with most travelers nationwide, shopping, dining and entertainment are also important aspects of the trip to Utah. The average domestic overnight leisure visitor to Utah stays three nights in the state and spends \$75 per day.

Consumer Demographics

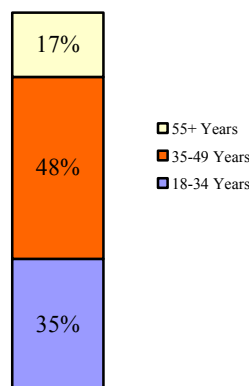
Top Origin Markets for Travelers to Utah, 2001

(Travel defined as any overnight trip or any day-trip greater than 50 miles one way)

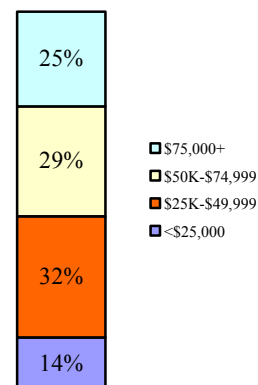
<u>Top States</u>	
Utah	36%
California	17%
Idaho	8%
Nevada	7%
Colorado	5%
Texas	3%
Wyoming	2%
Washington	2%
Arizona	2%
New Mexico	2%

<u>Top DMA's</u>	
Salt Lake City	40%
Los Angeles	9%
Las Vegas	4%
Denver	4%
Idaho Falls / Pocatello	4%
San Francisco Bay Area	3%
Twin Falls	2%
Sacramento	2%
Phoenix	2%
Albuquerque	2%

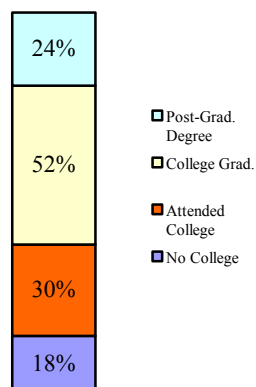
**Age Distribution of
Non-Resident Travelers
to Utah**
Average (years) 41.7



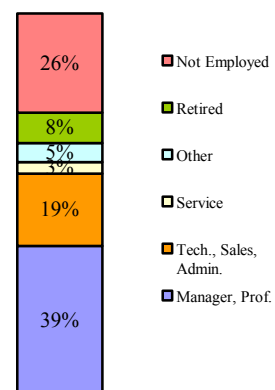
Household Income
Average AHH Income \$57,600



Education



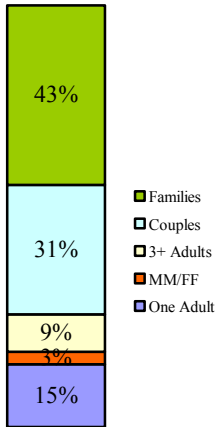
Occupation



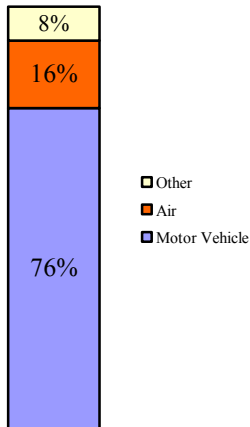
SOURCE: *Utah 2001 Overnight Leisure Visitor Profile*, D.K. Shifflet and Associates, Ltd.

Travel Patterns of Travelers to Utah

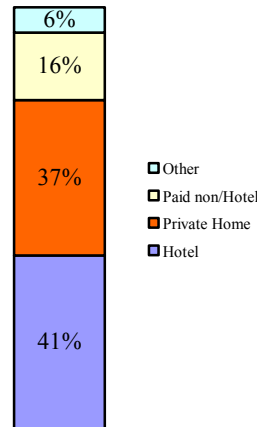
Party Composition, 2001
(Avg. Party Size 3.4 Pers.)



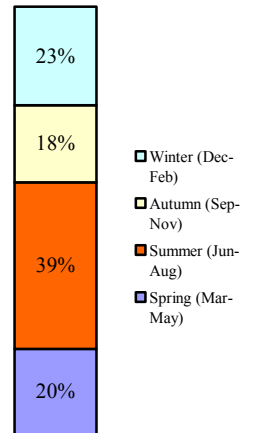
Transportation, 2001



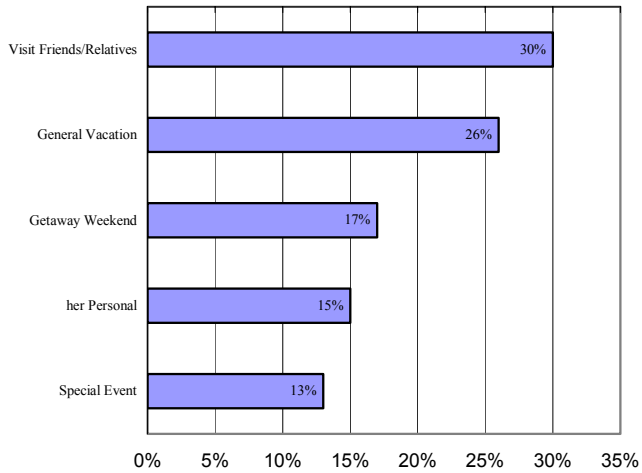
Accommodations, 2001



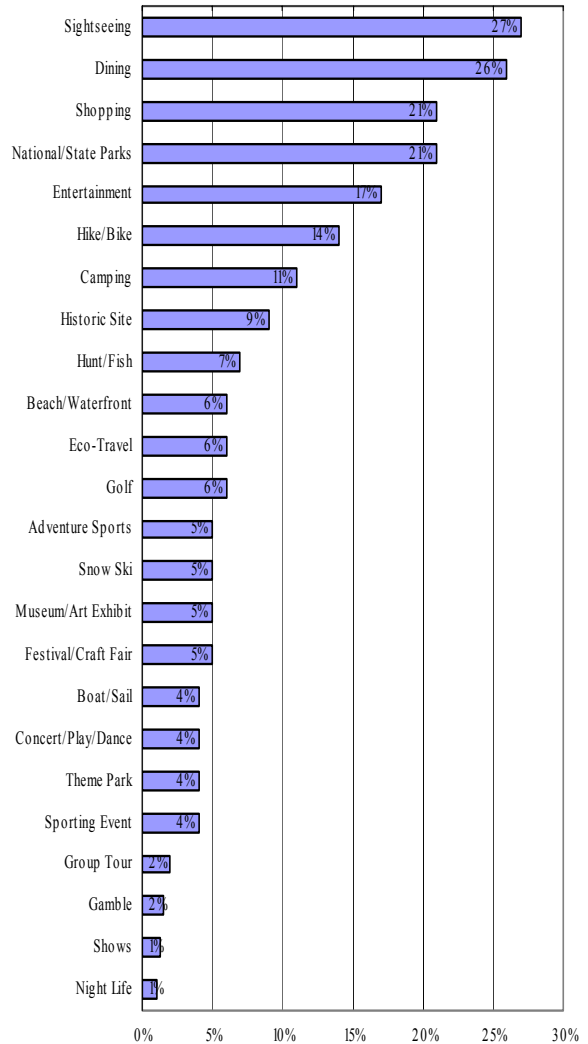
Season of Travel, 2001



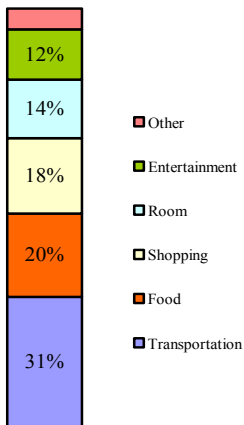
Purpose of Stay, 2001
Overnight Leisure 100%



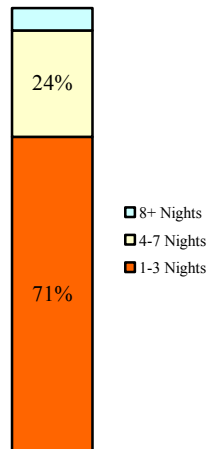
Activities of Travelers to Utah, 2001



Expenditures, 2001
Average (per person per day) \$75



Length of Stay, 2001
Average 3.1 Nights



SOURCE: 1998 Non-Resident Overnight Visitor Profile, D.K. Shifflet and Associates, Ltd.

Consumer Trends

The last few years have been turbulent for the tourism industry. A weak economy, combined with the effects of 9/11, SARS, and the threat of terrorism have all combined to negatively affect the travel behavior of the general public. Most recently, the war with Iraq caused some to postpone or cancel both business and leisure travel plans. Additionally, people have been reluctant to travel longer distances and to international destinations. Nevertheless, according to YPBR/Yankelovich Partners, 61% of leisure travelers say that attractive discounts or promotional offers from airlines, hotels and on complete vacation packages would get them to take a leisure trip that they otherwise planned to cancel because of the war in Iraq.⁵ People also plan their trips at the last minute and do a lot of price shopping on the Internet. Nevertheless, now that the economy is showing signs of improvement, there is cautious optimism that the upcoming years will be good for the travel and tourism industry.

A number of trends have emerged in light of these world events:

- **Family comes first.** A trend underway for much of the past several years, the move to reconnect with family and build stronger relationships was accelerated after September 11th. One study showed that 71% of parents wish their family spent more time together as a group, and 69% wish they had more time to just sit and talk with their kids. Furthermore, multi-household leisure travel with extended family and friends is also being practiced by 80% of leisure travelers.⁶
- **Not enough time.** Many people have to deal with time poverty. In the YPBR/Yankelovich study, 51% agreed that they don't have enough vacation time. In fact, 54% percent take vacations that last less than four days, and a Saturday stay is included. Clearly, people feel like they have less time for leisure, and they include the weekend in their vacation time. Another 23% of those surveyed take a vacation of less than four days during weekdays, and only 23% take an extended vacation longer than 5 days.⁷
- **Reduce Stress.** In this modern world of cell phones, pagers, laptop computers, etc., work can follow people home and on vacation. People seem to have a need to truly get away from it all and there are a lot of options. Cruises continue to be formidable competitors of land-based resorts. Spas are popping up all over the place as people strive to reduce stress. Additionally, travelers have shown interest in making connections with nature. More interest in outdoor recreation activities and travel to rural America has been demonstrated.⁸ This trend should bode well for Utah's travel and tourism industry.
- **Due to the Internet, value and brand charisma are even more crucial.** Given the weak economy of recent years, unemployment has been higher than normal and people are saving less. People are purchasing with credit more often now than in the past, and while consumer confidence has been on the rise recently, it's still below pre-9/11 levels. Consequently, 82% of those surveyed say they always attempt to negotiate the best rate when making hotel reservations.⁹ In fact, obtaining a better deal than the next person is almost considered a status symbol for today's traveler. Consumers have more choices, and consequently, more control. Sixty percent of respondents agreed that this greater control is the single most important change created by the Internet. The use of the Internet by both business and leisure travelers continues to increase. Consumers want to customize products and services to meet their own needs and desires. Comparative shopping sites, auction sites, and more looking than booking, combined with last minute booking has affected most destinations and service providers in the industry. Peter C. Yesawich pointed out that because of these changes in the industry, brand charisma is extremely important. Brand charisma is where a brand has such tremendous appeal that a customer will go out of his/her way to use that brand (or visit that destination).¹⁰ Value, service, customization, and offering something unique are all important factors in standing out from the crowd.

⁵ 2003 National Leisure Travel MONITOR™, KYPBR/Yankelovich Partners, 2004.

⁶ Ibid.

⁷ Ibid.

⁸ Outlook on U.S. Tourism and Overview, Travel Industry Association of America, 2003.

⁹ 2003 National Leisure Travel MONITOR™, KYPBR/Yankelovich Partners, 2004.

¹⁰ Ibid.